



Fact Sheet:



Drug Medi-Cal Issues and Legal Authority

Statewide Application

The California State Plan for Medicaid shall be in effect in all political subdivisions of the State, and if administered by them, the Plan must be mandatory upon those political subdivisions.

Sobky v. Smoley
42 USC¹ §1396a(a)(1)
42 CFR² §431.5(b)

Provider Certification Required

Each provider must be certified to participate as a provider in the Drug Medi-Cal (DMC) system.

42 CFR §431.107
43 CFR Part 442, Subparts A and B (if applicable)
42 CFR §442.12(d)
WIC³ §14123

Beneficiary Freedom Of Choice

A Medi-Cal beneficiary may choose services from any institution, agency, or person certified to perform the service.

42 USC §139a(a)(23)
42 CFR §431.51(a)(1)

Reasonable Promptness

Services shall be furnished to all eligible individuals with reasonable promptness.

Sobky v. Smoley

¹ USC: United States Code

² CFR: Code of Federal Regulations

³ WIC: Welfare and Institutions Code

42 USC §1396a(a)(8)
42 CFR §435.930

No Budgetary Constraints On Benefits

Benefits made available to one beneficiary shall be no less in amount, duration, or scope than the benefits made available to any other beneficiary.

Sobky v. Smoley
42 USC §1396a(a)(10)(B)
42 CFR §440.240

State General Fund Use for DMC

The State General Fund provides funding for the State's share of expenditures for DMC services.

Budget Act, Chapter 52, Statutes of 2000
42 USC §1396a(a)(2)

DMC Benefits

DMC benefits are optional Medi-Cal benefits as contained in the California State Plan for Medicaid. DMC services provide medically necessary alcohol and other drug treatment to California's Medi-Cal eligible population statewide. The services include Outpatient Drug Free Treatment, Narcotic Treatment Program, and Naltrexone Treatment. In addition, Day Care Rehabilitative Treatment and Residential Treatment are available to full-scope Medi-Cal beneficiaries under the age of 21 and to pregnant and postpartum women.

22 CCR⁴ §51341.1

⁴ CCR: California Code of Regulations

Rates

DMC maximum rates are developed by ADP and set annually by the Department of Health Services. A provider may bill for actual costs up to the maximum allowances established for the fiscal year.

22 CCR §51516.1

Rate-Setting Methodology

For Narcotic Treatment Program services, a “uniform statewide monthly reimbursement rate” is based on Core, Lab Work, Dosing Services, and Counseling Service Components. Each Component is comprised of and provides for reimbursement of eligible services (“Service Elements”). Rates for each element are based upon the annual cost per client and a 365-day year.

For other DMC services, maximum allowable rates are determined by computing the median rate from available cost data, by modality, from the fiscal year that is two years prior to the year for which the rate is being established.

22 CCR §51516.1

42 CFR §413.30(b)

HSC⁵ §11758.42

⁵ HSC: Health and Safety Code